

AUDITS AND INVESTIGATIONS

Hotline Complaints

APPROVAL/TRANSMITTAL

This section has been revised to include guidance in accordance with the Office of Inspector General (OIG) Cash Reward Program for payment of a cash reward/award for information concerning criminal or unlawful activities involving USDA programs and personnel. This supersedes IG-9160, dated June 1995. Remove and destroy previous editions.

ROGER C. VIADERO
Inspector General

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A. BACKGROUND

1. Section 7 of the IG Act of 1978 (5 U.S.C. app.) gives the Inspector General (IG) authority and responsibility to receive employee complaints and to conduct investigations. The Act provides that the identity of the employee who made the complaint shall not be released without the employee's consent, unless the IG determines that disclosure is unavoidable. The Act also includes protection for the complainant from reprisal actions, unless the complaint was made with the knowledge that it was false.

2. Section 3(a)(13) of the Whistleblower Protection Act of 1989 (5 U.S.C. 1213) contains provisions relating to disclosures of violations of law, gross mismanagement, and certain other matters. The Whistleblower Protection Act states that disclosures can be made to the Office of Special Counsel or OIG by an employee, former employee, or applicant for employment .

3. Section 6006 of the Federal Acquisition Streamlining Act of 1994 (41 U.S.C. 265) provides for whistleblower protection for contractor employees of civilian agencies for disclosure of certain information.

4. Departmental Regulation 1700-2, OIG Organization and Procedures, includes a section on the OIG Hotline Office and the handling of employee complaints.

February 22, 2001

(A)

5. Section 4512 of Title 5 U.S.C. gives the Inspector General authority to pay cash awards to any employee for disclosure of fraud, waste, or mismanagement to the OIG.

6. Definitions

a. Abuse. Abuse is improper or excessive use of authority. Abuse refers to administrative violations of Departmental, agency, or program regulations that impair the effective and efficient execution of programs. These violations may result in Federal losses, reduced efficiency or integrity, or they may result in denial or reduction in lawfully authorized Federal benefits to participants.

b. Complaint. An allegation received by the Hotline office that is referred to the appropriate OIG office or USDA agency for action and a response to OIG is required.

c. Contact. Information received by the Hotline office that is forwarded to the responsible Federal, State, or local agency, which does not require a response to OIG, or a nonspecific complaint filed in the Hotline office.

d. Fraud. The intentional, wrongful obtaining of either money or some other advantage or benefit from governmental programs. Fraud includes, but is not limited to, theft, embezzlement, false statements, illegal commissions, kickbacks, conspiracies, and obtaining contracts through collusive arrangements.

e. Grievance. Any matter of concern or dissatisfaction to a complainant which is subject to the control of Department management, including working conditions, improper application of rules and regulations, and unfair treatment including coercion or restraint. It also includes failure of an agency to follow its promotion plan and procedure, including complaints of unfair supervisory appraisals, disciplinary suspensions of 14 calendar days or less, and non-selection for training opportunities.

f. Gross Waste. Incurring unnecessary costs as a result of inefficient or ineffective practices, systems, or controls.

g. Hotline. An OIG-managed telephone number and Post Office box address for the receipt of complaints from USDA employees and the public regarding USDA programs and employees.

h. Misconduct. Intentional wrongdoing by a Federal employee.

(A6)

i. Referral. A Hotline complaint referred to the appropriate OIG office or USDA agency for action.

j. Whistleblower. Within the meaning of the IG Act and the Whistleblower Protection Act, refers to an employee, former employee, or applicant for employment who discloses information which evidences a violation of any law, rule, or regulation, or mismanagement, gross waste of funds, abuse of authority, or a substantial and specific danger to public health or safety, and which is not specifically prohibited from disclosure by law.

k. Source of Information (Source). A source of information is a person who provides information without becoming a party to the investigation itself (e.g., a concerned citizen who witnessed an event of interest to OIG or an employee of an organization who, through routine course of their activities, obtains information of value to OIG). If a source becomes a cooperating witness or confidential informant as defined in IG-8464, the appropriate regional office will assume control of the individual's activities in accordance with IG-8464.

l. Cash Rewards/Awards. As a part of the OIG Cash Reward Program, a source of information may receive a cash reward/award for information concerning criminal or unlawful activities involving USDA programs and personnel. OIG may pay cash rewards/awards to a source of information for providing substantial information not previously known by OIG, which leads to a felony conviction or a substantial monetary recovery from individuals who defrauded USDA programs. All cash rewards/awards will be paid from the headquarters confidential fund in accordance with IG-4831.

B. POLICY. Hotline complaints, including contacts that do not result in formal referrals, shall be timely and properly handled in accordance with the provisions of this directive and supplemental staff memoranda.

C. PROCEDURES

1. Inspector General (IG). Make the determination as to whether the identity of the complainant should be disclosed.

2. Assistant Inspector General for Investigations (AIG/I)

a. Act as the OIG control point for receiving and investigating whistleblower and Hotline complaints and contacts.

(C2)

b. Keep the Assistant Inspector General for Audit (AIG/A) informed on the status of significant active whistleblower and Hotline referrals of potential interest to Audit.

c. Make recommendation to the IG as to whether the identity of the complainant should be disclosed.

d. Approves all cash rewards, awards, and letters of commendation for sources of information.

e. Present cash rewards, awards and letters of commendation to sources of information. The AIG/I may appoint a designee to make the presentation.

3. Special Agent-in-Charge (SAC), Program Investigations Division (PID)

a. Manage the OIG Hotline operation.

b. Refer Hotline complaints to the appropriate agency, SAC, or Division Director, Audit (DD/A) for action and ensure all allegations have been properly addressed.

c. If a Hotline complaint pertains to an OIG employee, follow the procedures in IG-9130, Complaints Against OIG Personnel.

d. Review and initial exhibit B, Source of Information Profile Sheet/Notes, or authorize a designee to review and approve all cash reward related documents.

e. Review letters of commendation, rewards, and award certificates in preparation for the AIG/I signature.

4. SAC and Regional Inspector General (RIG)

a. Evaluate any whistleblower or Hotline complaint received from the SAC/PID to determine whether a preliminary inquiry, investigation, audit, or other action is warranted.

b. The SAC shall follow guidelines in IG-8110, Complaint Processing and Case Control, when making scheduling determinations regarding Hotline complaints. Advise the SAC/PID on action to be taken.

IG-9160

(C4)

c. Complaints accepted by the DD/A will be referred to the proper RIG for action. Notify the SAC/PID of the referral.

d. Send a copy of the resulting report and pertinent correspondence to the SAC/PID.

e. Immediately alert the SAC/PID and AIG/I of actual or potential exposure of a complainant's identity, or any alleged reprisal action that may have been taken against a complainant.

f. If, during the course of the investigation or audit (or as a matter of taking corrective action to resolve the complaint), the disclosure of the complainant's identity becomes "unavoidable," contact the AIG/I for coordination with the IG. If necessary, the investigation or audit should be suspended until the matter can be discussed with the AIG/I.

g. If the information for cash provided by a source leads to a conviction or substantial monetary recovery, the SAC or RIG shall forward a reward/award recommendation to the SAC/PID. The recommendation will be based upon the significance the information had on the audit or investigation.

h. SAC/Investigative Operations Division (IOD) or his/her designee will maintain Reward and Award files as described in section C5g of this manual section.

5. RIG

a. Evaluate all audit-related complaints received from a DD/A and notify the DD/A of proposed actions in a timely manner.

b. Route the complaint or request to an Assistant RIG for initial contact, scheduling, and assignment.

c. Control and track audit action on complaints. Provide status reports every 30 days to the DD/A.

d. Submit a report of the audit results to the appropriate agency official in accordance with IG-7217, Transmittal and Distribution of Audit Reports, when disposition of the complaint is completed.

(C5)

- e. Send a copy of the report and pertinent correspondence to the DD/A.

6. Hotline Staff

- a. Receive information from complainants via telephone, mail, walk-ins, or electronic medium.

- b. Complete complainant hotline intake sheet (exhibit A) or source profile sheet (exhibit B) and obtain details of pertinent information.

- c. Prepare a memorandum referring the information to the appropriate agency, SAC, RIG or DD/A with the SAC/PID signature.

- d. Establish and maintain Hotline files.

- e. Prior to closing hotline files, prepare letters of commendation, reward or award certificates for payment based on the SAC, RIG or DD/A recommendation.

- f. Upon approval by the AIG/I of the letter of commendation, reward, or award, prepare a reward notification letter for the AIG/I's signature. Contact the source of information to determine if they wish to have a public or private award presentation. The source of information's request for a private presentation takes precedence over the public relations value of a public ceremony. Inform monetary reward and award recipients that such compensation must be reported as income when filing Federal income tax forms or other appropriate tax forms as described in IG-8464.

- g. The following information will be forwarded to the SAC/IOD and maintained in a reward/award file as described in IG-8464. NOTE: This manual section does not require the same information as required in IG-8464.

- (1) A copy of the letter of commendation.
- (2) A copy of the initial allegation.
- (3) Original recommendation from SAC/RIG.
- (4) Copies of exhibits B, C, and D.
- (5) All confidential fund payment forms.

(C6g)

Only a copy of exhibit B will be kept in the Hotline file, all other materials related to a reward/award will be maintained by IOD.

7. All Employees

a. Refer whistleblower complaints received by telephone or from walk-ins to one of the following numbers as appropriate.

OIG Website: www.usda.gov/oig

Toll-free Hotline Telephone Number 800 424-9121

Hotline Telephone Number for
Washington, D.C. area 202 690-1622

TDD Telephone Number (for
the hearing impaired) 202 690-1202

Fax Number 202 690-2474

Also inform the complainant that he or she can send a written complaint to:

U.S. Department of Agriculture
Office of Inspector General
Attn: Complaints
Post Office Box 23399
Washington, D.C. 20026

Should the complainant prefer, take the complaint and refer it by memorandum, through supervisory channels, to the RIG or SAC.

b. Employees who receive and/or handle whistleblower complaints cannot disclose the complainant's identity to anyone outside of OIG without the complainant's consent or the approval of the IG. Within OIG, the complainant's identity shall only be disclosed to employees on a "need to know" basis.

(C7)

c. If disclosure of a complainant's identity appears "unavoidable," notify your supervisor. If necessary, the audit or investigation should be suspended until the matter can be discussed with the AIG/I.

d. In the case of a complainant who requests confidentiality, special measures must be taken to ensure that such a request is honored. The confidential complainant's name must be segregated within case workpapers and care must be taken so that the complainant's name is not referred to in notes, schedules, reports, etc.

e. In the case of anonymous complainants, employees shall not speculate as to the identity of the source of the complaint.

f. In the case of a complainant who requests payment for information, they shall be informed that payments will only be made if the information provided is new to OIG and is ultimately used to obtain a felony conviction or substantial monetary recoveries from individuals who defrauded USDA programs. The information provided by the complainant will be documented in writing and forwarded to the appropriate SAC for evaluation.

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IG-9160

Exhibit A
of IG-9160

United States
Department of Agriculture

Office of
Inspector General

HOTLINE NOTES

PS-

Date/Time:

Analyst:

SUBJECT:

DETAILS:

Do you desire your name to be kept confidential during any inquiry?

Permissions: Anonymous Confidential Use My Name

Witness Name:

Address:

Phone:

Complainant was told complaint may be referred to the agency involved. () Yes () No

Queries:	Date	Negative	Positive
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NFC

FNS/STAR

INDICES

WBC

February 2001

WP File:

Source of Information Profile Sheet/Notes

Check One: ☐ Initial ☐ Update

PS-

Date/Time:

Analyst:

Subject:

Details:

Do you desire your name to be kept confidential during inquiry? ☐ Yes ☐ No Advise caller that OIG will do everything possible not to disclose their identity but under certain circumstances their name may have to be divulged by the IG.

Witness Name:

SSN:

DOB:

Address:

Phone: ☐

USDA Employee: ☐ Yes ☐ No

Privacy Act Statement given: ☐ Yes ☐ No

Complainant was told complaint may be referred to the agency involved or appropriate OIG Regional office. ☐ Yes ☐ No

Criminal Record: ☐ Yes ☐ No

Record Attached: ☐ Yes ☐ No

Date Checked: _____ OIG Indices Checked: _____
(List Case Numbers)

FBI No.: _____ SID No.: _____

Information Received By: ☐ Telephone ☐ Mail ☐ E-mail ☐ Walk-in ☐ Fax

Type of Allegation: ☐ Employee Misconduct ☐ Fraud ☐ Waste/Mismanagement

Approved by: SAC/Designee _____

REWARD NOTIFICATION LETTER

(Name)
(Address)
(City, State Zip Code)

Dear Mr./Ms. _____:

I am writing to personally thank you for the helpful information you provided the Office of Inspector General (OIG), U.S. Department of Agriculture (USDA), on _____. The information you provided led to the arrest, indictment and imprisonment of five people. On behalf of OIG, I am pleased to inform you that as a result of your information you will be receiving a \$_____ reward from our cash reward program. A member of my staff will be contacting you to make arrangements for presentation of this award. Once again, thank you for your assistance and interest in USDA programs.

Sincerely,

(NAME)
Assistant Inspector General
for Investigations

IG-9160

February 2001

- 13 -

RECEIPT FOR PAYMENT

Hotline Number: PS-

I certify that I received a cash reward payment in the amount of \$_____, check number _____, from the Office of Inspector General, U.S. Department of Agriculture. I also understand that I am responsible for reporting this cash reward as income when filing Federal income tax forms or other appropriate tax forms.

Signature _____
(Recipient's Name)

Date: _____

Witness Signature and Title

Date: _____

Witness Signature and Title

Date: _____